

ONE HUNDRED TWELFTH CONGRESS  
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**Statement of Rep. Henry A. Waxman**  
**Ranking Member, Committee on Energy and Commerce**  
**Hearing on “The Future of Audio”**  
**Subcommittee on Communications and Technology**  
**June 6, 2012**

Thank you, Chairman Walden, for holding this hearing to examine the future of audio. We live in an era of rapidly changing technologies and consumer behavior. Innovation over the past decade has led to a proliferation of choices in the way consumers access audio content. Whether it's new subscription-based streaming services, webcasting, or HD-radio offered by traditional over-the-air broadcasters, the dynamic audio marketplace has brought consumers more choices, greater accessibility, and lower prices.

As technology advances, it is important that we do not lose sight of the artists -- musicians and songwriters -- whose work compels consumers to seek out these innovative new services. Thanks to these new technologies, barriers to entering the music market have never been lower. But paradoxically, the number of people who identify themselves as musicians has declined over the last decade. We need to understand why this is happening. Congress has an important role to play in ensuring that singers, songwriters, and other musicians are compensated fairly, both through combating online piracy and ensuring an equitable licensing and royalty system.

I am proud to have cosponsored the Performance Rights Act during the last Congress. This bill would ensure that musicians are compensated by over-the-air broadcasters for the right to publicly perform their music. As we will hear from some of our witnesses today, the exemption for broadcasters is not only grossly unfair to performing artists, it also creates an unlevel playing field that disadvantages innovative audio services such as Pandora. Whatever the rationale may have been in the past, there is no reason in today's environment that over-the-air broadcasters should be allowed to play music without compensating the artists that perform it.

Although we are still learning the full details of the agreement between Clear Channel and Big Machine, I am encouraged that a major broadcasting group has acknowledged that performing artists should be compensated for the use of their music on over-the-air radio.

I look forward to hearing from our panel about the impact of wireless data caps and proposals to require or encourage FM chips.

We also need to ask whether policymakers should encourage FM chips to be incorporated into mobile handsets.